



94TH GENERAL ASSEMBLY
State of Illinois
2005 and 2006
SB2155

Introduced 11/2/2005, by Sen. Emil Jones, Jr.

SYNOPSIS AS INTRODUCED:

105 ILCS 425/6
105 ILCS 425/11

from Ch. 144, par. 141
from Ch. 144, par. 146

Amends the Private Business and Vocational Schools Act. With respect to an application for a certificate of approval, provides that a certificate of deposit may be included instead of a surety company bond. Provides that a sales representative may provide a certificate of deposit instead of a surety company bond. Effective immediately.

LRB094 14948 NHT 50036 b

1 AN ACT concerning education.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Private Business and Vocational Schools Act
5 is amended by changing Sections 6 and 11 as follows:

6 (105 ILCS 425/6) (from Ch. 144, par. 141)

7 Sec. 6. Application for certificate - Contents. Every
8 person, partnership or corporation doing business in Illinois
9 desiring to obtain a certificate of approval shall make a
10 signed and verified application to the Superintendent upon
11 forms prepared and furnished by the Superintendent, which forms
12 shall include the following information:

13 1. The legal title and name of the school, together with
14 ownership and controlling officers, members, and managing
15 employees;

16 2. The specific courses of instruction which will be
17 offered, and the specific purposes of such instruction;

18 3. The place or places where such instruction will be given
19 and a description of the physical and sanitary facilities
20 thereof;

21 4. A written inspection report of approval by the State
22 Fire Marshal or his designee for use of the premises as a
23 school;

24 5. A specific listing of the equipment available for
25 instruction in each course of instruction, with the maximum
26 enrollment that such equipment will accommodate;

27 6. The names, addresses and current status of all schools
28 of which each applicant has previously owned any interest, and
29 a declaration as to whether any of these schools were ever
30 denied accreditation or licensing, or, lost accreditation or
31 licensing from any governmental body or accrediting agency;

32 7. The educational and teaching qualifications of

1 instructors in each course and subject of instruction, and the
2 teacher to student ratio established by rule by the
3 superintendent pursuant to industry standards and after
4 soliciting and receiving comments by the schools in each
5 industry;

6 7.1. The qualifications of administrators;

7 8. The financial resources available to establish and
8 maintain the school, documented by a current balance sheet and
9 income statement prepared and certified by an accountant or any
10 such similar evidence as required by the Superintendent;

11 9. A continuous surety company bond, written by a company
12 authorized to do business in this State, or certificate of
13 deposit for the protection of the contractual rights including
14 faithful performance of all contracts and agreements for
15 students, their parents, guardians, or sponsors in a sum of up
16 to \$100,000, except that when the unearned prepaid tuition for
17 Illinois students in the possession of the school, as annually
18 determined by the Superintendent, exceeds \$100,000 the bond or
19 certificate of deposit shall be in an amount equal to the
20 greatest amount of prepaid tuition in the school's possession;

21 10. Annual reports reflecting teacher, equipment and
22 curriculum evaluations;

23 11. Copies of enrollment agreements and retail installment
24 contracts to be used in Illinois;

25 12. Methods used to collect tuition and procedures for
26 collecting delinquent payments;

27 13. Copies of all brochures, films, promotional material
28 and written scripts, and media advertising and promotional
29 literature that may be used to induce students to enroll in
30 courses of instruction;

31 14. Evidence of liability insurance, in such form and
32 amount as the Board shall from time to time prescribe pursuant
33 to rules and regulations promulgated hereunder, to protect its
34 students and employees at its places of business and at all
35 classroom extensions including any work experience locations;

36 15. Each application for a certificate of approval shall be

1 signed and certified under oath by the school's chief managing
2 employee and also by its individual owner or owners; provided,
3 that if the applicant is a partnership or a corporation, then
4 such application shall be signed and certified under oath by
5 the school's chief managing employee and also by each member of
6 the partnership or each officer of the corporation, as the case
7 may be;

8 16. If the evaluation of a particular course or facility
9 requires the services of an expert not employed by the State
10 Board of Education or if in the interest of expediting the
11 approval, a school requests the State Board of Education to
12 employ such an expert, the school shall reimburse the State
13 Board of Education for the reasonable cost of such services.

14 (Source: P.A. 85-1382.)

15 (105 ILCS 425/11) (from Ch. 144, par. 146)

16 Sec. 11. Sales representative permits - Application -
17 Contents - Fees - Separate permits.) Every sales representative
18 representing a school, whether located in the State of Illinois
19 or without, shall make application for a Sales Representative
20 Permit to the Superintendent in writing upon forms prepared and
21 furnished by the Superintendent. The sales representative
22 shall be approved by the Superintendent prior to solicitation
23 of students. Each application shall state the name of the
24 school which the applicant will represent, contain evidence of
25 the honesty, truthfulness, and integrity of the applicant and
26 shall be accompanied by the recommendation of two reputable
27 persons, neither of whom shall be in the employ of the school
28 or members of the applicant's immediate family, certifying that
29 the applicant is truthful, honest, and of good reputation, and
30 recommending that a permit as a sales representative be
31 granted. The fee for an original permit as a sales
32 representative shall be \$100. The annual renewal fee shall be
33 \$50. A separate permit shall be obtained for each school
34 represented by a sales representative.

35 In determining honesty, truthfulness and integrity under

1 this Section, the Superintendent may take into consideration
2 any felony conviction of the applicant, but such a conviction
3 shall not operate as a bar to approval unless a court or parole
4 authority has determined that the applicant is not
5 rehabilitated sufficiently to serve as a sales representative.

6 Each sales representative shall provide a continuous
7 surety company bond or certificate of deposit for the
8 protection of the contractual rights, including loss resulting
9 from any fraud or misrepresentation used by the sales
10 representative, of students, their parents, guardians or
11 sponsors, in the penal sum of \$2,000, except under exceptional
12 circumstances up to \$10,000, upon the order of the
13 Superintendent. The surety company bond shall be written by a
14 company authorized to do business in this State.

15 (Source: P.A. 83-1484.)